

**Karen Dee**  
Chief Executive

**Baroness Ruby McGregor-Smith CBE**  
Chair

The Rt Hon Boris Johnson MP  
Prime Minister  
Office of the Prime Minister  
10 Downing Street  
LONDON SW1A 2AA

4 November 2020

Dear Prime Minister,

### **Impact on Airports of the new Lockdown measures in England**

Since the AOA last wrote to you on 5<sup>th</sup> September 2020, highlighting the immense impact of COVID-19 on the UK aviation industry and the support that is much needed for the sector, the new lockdown measures that will be introduced this Thursday in England will effectively bring to an end the majority of passenger movements. As a result, all airports are considering what forms of closure they should implement, including restrictions on operating hours through to full closures and further job losses.

At the height of lockdown in spring passenger traffic - and thus revenue - declined by 98%. There is a stark difference this time around: on entering the first lockdown airports' financial positions were robust – UK aviation is a great success with airports in “normal” times both viable and profitable. Unfortunately, industry has faced eight months of losses – when the rest of the economy began to open up, quarantine measures were introduced which prevented air travel from doing so. In addition, aviation has not received the level of economic and financial support provided to other sectors.

Ideally airports would like to be able to remain open so they can continue to provide the vital services the country needs including freight, air ambulance and search and rescue operations for example. But this simply is not possible without revenue or Government support.

The decision to extend the Job Retention Scheme by one month is welcome. But on its own, it will not change the situation. It is imperative that Government provides further financial support including:

- Business Rates Relief for English airports for 12 months, bringing them into line with their Northern Irish and Scottish counterparts, and the hospitality and retail sectors. We call on the Welsh Government to take similar action for Welsh airports.
- Extending corporate fiscal support measures, or a new equivalent of them, on a sectoral basis. This would include support with employment costs beyond the end of the Job Retention Scheme in December but also general finance measures such as the CCFE and CBILs.
- Funding the aviation sector's regulator, the Civil Aviation Authority, for the 2020/2021 period.
- Reversing the decision to remove tax free shopping from airports.
- Temporary suspension of Air Passenger Duty, thus incentivising air connectivity in the recovery phase.
- Working with industry to agree a funding solution for the airspace modernisation programme.
- Assistance with police costs reflecting its fixed nature despite reduced passenger numbers.

#### **Airport Operators Association**

- Airports cannot continue to remain open indefinitely when passengers' numbers and revenues are virtually non-existent. There needs to be urgent progress with testing and for it to be in place and ready to reduce the need for quarantine when breaks in restrictions allow travel. Airports also wish to know what the public health justification for restrictions on travel abroad are, given that people would have been leaving the country for other locations that may have low enough infections rates to allow leisure activities.

We would ask that Government also makes best use of the next few weeks by accelerating the work of the Global Travel Task Force to establish a framework of Covid testing for international travellers. This must be in place by 2<sup>nd</sup> December so that UK aviation can make a meaningful restart as soon as national restrictions are lifted.

Britain's global connectivity is on the line if Government is not willing to support the industry. Without a successful aviation sector, your Government's ambitions to level-up the regions of the UK and to deliver a global trading Britain post-Brexit will be simply unachievable. We urge you and your Cabinet colleagues to act urgently to address this.

Your sincerely,



**Karen Dee**  
Chief Executive



**Baroness Ruby McGregor-Smith CBE**  
Chair

cc: *The Rt Hon Rishi Sunak MP, Chancellor of the Exchequer*  
cc: *The Rt Hon Grant Shapps MP, Secretary of State for Transport*  
cc: *The Rt Hon Alok Sharma MP, Business Secretary*